

Message Text

CONFIDENTIAL

PAGE 01 STATE 251283

21

ORIGIN NEA-10

INFO OCT-01 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00 DOTE-00

EB-07 INR-07 NSAE-00 FAA-00 SS-15 NSC-05 L-03 NSCE-00

SSO-00 USIE-00 INRE-00 /050 R

DRAFTED BY NEA/IRN:CWNAAS:MP

APPROVED BY NEA : S. S. SOBER

EB/AV - J. COOK

NSC - MR. HORMATS

D - R. DUEMLING

S/S - MR. ORTIZ

----- 090929

O 222131Z OCT 75

FM SECSTATE WASHDC

TO AMEMBASSY TEHRAN IMMEDIATE

C O N F I D E N T I A L STATE 251283

E.O. 11652: GDS

TAGS: EAIR, IR, PFOR

SUBJECT: CIVAIR: IRAN AIR TARIFF

FOR CHARGE

1. ON OCTOBER 10, CAB SENT TO PRESIDENT FORD ITS ORDER SUSPENDING IRAN AIR DISCOUNT FARE PENDING FURTHER INVESTIGATION TO DETERMINE WHETHER RATES ARE "UNJUST, UNREASONABLE, UNJUSTLY DISCRIMINATORY, UNDULY PREFERENTIAL, UNDULY PREJUDICIAL OR OTHERWISE UNLAWFUL." BOARD ACTED PURSUANT TO FEDERAL AVIATION ACT OF 1958, AS AMENDED, AND PARTICULARLY SECTIONS 204(A), 404, 801 AND 1002(J). PRESIDENT, ACTING ON DEPARTMENT OF STATE RECOMMENDATION, DISAPPROVED CAB ORDER ON OCTOBER 20 BUT REQUESTED THAT ORDER BE RESUBMITTED TO HIM IN 45 DAYS. (TEXT OF CAB ORDER AND PRESIDENTS LETTER TO CAB FOLLOW SEPTTEL).

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 251283

(FYI: PRESUMPTION IS THAT ORDER WILL BE PERMITTED TO STAND

AT THAT TIME IF IRANIAN POSITION REMAINS INFLEXIBLE. END FYI)

2. YOU SHOULD SEE ANSARY AT EARLIEST OPPORTUNITY AND INFORM HIM OF CAB AND PRESIDENTIAL ACTIONS, INCLUDING FACT THAT PRESIDENT HAS INSTRUCTED CAB TO RESUBMIT ORDER WITHIN 45 DAYS. YOU SHOULD EMPHASIZE THAT PRESIDENT'S ACTION PERMITTING ADDITIONAL TIME FOR FURTHER EXAMINATION AND CONTINUANCE IN MEANTIME OF IRAN AIR DISCOUNT FARES IS RESPONSIVE TO ANSARY'S APPEAL TO AMBASSADOR HELMS. WE HAVE ADMIRERD AND RESPECTED ANSARY'S CONTRIBUTION TO THE USIRJC AND OTHER ASPECTS OF OUR BILATERAL RELATIONS AND HOPE HE CAN NOW GIVE IMAGINATIVE LEADERSHIP IN THIS THORNY MATTER.

3. IN YOUR DISCUSSION YOU SHOULD DRAW UPON FOLLOWING ADDITIONAL POINTS:

A. CAB IS INDEPENDENT REGULATORY AGENCY OPERATING UNDER STATUTORY PROVISION AND DEPARTMENT CANNOT LEGALLY CONTROL ITS ACTIONS AFFECTING INTERNATIONAL FARES.

B. IN VIEW OF HIM VISIT IN MAY AND PARTICULARLY CLOSE US-IRAN TIES, CAB WAS RESPONSIVE TO OUR APPEAL FOR DELAY IN DISALLOWANCE OF DISCOUNTED TARIFF TO PERMIT NEGOTIATIONS. CAB WAS ALSO MOTIVATED BY DESIRE NOT INTERFERE WITH NEWLY ESTABLISHED IRAN AIR ROUTES IN VIEW OF POSSIBILITY THAT THERE MAY HAVE BEEN MISUNDERSTANDING ABOUT CAB POLICY ON GOVERNMENT ORDERED FARES IN PREVIOUS CIVAIR NEGOTIATIONS. HOWEVER, CAB CLEARLY EXPECTED SERIOUS NEGOTIATIONS IN THIS FIVE-MONTH PERIOD SINCE THEN.

C. UNFORTUNATELY, IN THE DISCUSSIONS HELD IN THIS PERIOD NO BASIS COULD BE FOUND FOR RESOLVING THESE PROBLEMS. IRANIAN CIVIL AIR AUTHORITIES HAVE STATED THAT NO CHANGES IN THEIR POSITION WERE POSSIBLE AND REJECTED OUR PROPOSAL FOR COMPROMISE SOLUTION (I.E., RESTRICTION OF THE DISCOUNT FARE TO IRANIAN STUDENTS AND PERMISSION TO PAA TO OFFER SAME FARE).

D. UNDER THESE CIRCUMSTANCES, CAB HAD NO ALTERNATIVE BUT
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 251283

TO ISSUE ITS ORDER THIS MONTH. BECAUSE PRESIDENT FORD HIGHLY VALUES OUR CLOSE TIES, HE HAS DECIDED TO PROVIDE ADDITIONAL TIME FOR EFFORT TO WORK OUT MUTUALLY AGREEABLE SOLUTION IN SPITE OF HIS DISAPPOINTMENT WITH IRAN'S FAILURE SINCE MAY TO OFFER COUNTERPROPOSALS FOR A COMPROMISE. THIS FURTHER 45-DAY POSTPONEMENT MEANS THAT WE WILL HAVE PERMITTED IRAN AIR TO FLY TO U.S. FOR OVER SIX MONTHS AT RATES WHICH ARE CONTRARY TO OUR LAWS. THIS CONSTITUTES AN

UNUSUAL PRECEDENT AND IS INDICATIVE OF U.S. DESIRE TO AVOID
CONFRONTATION AND TO FIND A SATISFACTORY SOLUTION.

E. UNITED STATES HAS RIGOROUSLY ADHERED TO ALL PROVISIONS
OF OUR BILATERAL CIVIL AIR AGREEMENT.

F. WE ARE READY TO HAVE FURTHER NEGOTIATIONS AND SUGGEST
WEEK OF NOVEMBER 17, 1975 IN WASHINGTON. YOU SHOULD
ADVISE ANSARY THAT U. S. SIDE WOULD HAVE WELCOMED AN
OPPORTUNITY TO COME TO TEHRAN FOR THESE TALKS BUT THAT
PRIOR COMMITMENTS AND A TIGHT NEGOTIATING SCHEDULE PREVENT
OUR NEGOTIATORS FROM LEAVING WASHINGTON DURING THIS PER-
IOD. FORTY-FIVE DAY DELAY WILL MEAN THAT NEGOTIATIONS
WILL HAVE TO MOVE SWIFTLY AND WE EXPECT IRAN DELEGATION
TO HAVE USEFUL PROPOSALS FOR DISCUSSION. INGERSOLL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, AIR FARES, AIRLINES
Control Number: n/a
Copy: SINGLE
Draft Date: 22 OCT 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MartinML
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE251283
Document Source: CORE
Document Unique ID: 00
Drafter: CWNAAS:MP
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750367-0410
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751031/aaaabbvo.tel
Line Count: 130
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 06 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 AUG 2003 by MartinML>; APPROVED <26 NOV 2003 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: IRAN AIR TARIFF FOR CHARGE
TAGS: EAIR, PFOR, IR, IRAN AIR
To: TEHRAN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006